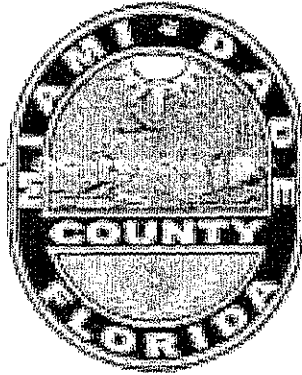


EDH

Miami Dade County

Stephen P. Clark Government Center
111 N.W. 1st Street
Miami, Fl. 33128



Office of the Commission Auditor
Legislative Division

Wednesday, November 10, 2004
10:00 AM
Commission Chambers

Board of County Commissioners

**Economic Development & Human
Services Committee**

November 10, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION ENDORSING THE PERUVIAN CONSULAR IDENTIFICATION CARD FOR OFFICIAL IDENTIFICATION PURPOSES

Senator Javier D. Souto

I. SUMMARY

This resolution if approved will allow the use of the Peruvian Consular Identification Card for official identification purposes to Miami-Dade County. The Consular Identification Card is provided by the Peruvian Government to its nationals who live in the United States. The Consular Identification card **does not affect the holders' Immigration Status.**

II. PRESENT SITUATION

These Illegal Immigrants lack proper identification which makes it difficult for law enforcement to identify. At present the US Department of Treasury allows the Consular Identification to be used for banking purposes. The US Patriot Act of 2001 requires that Financial Institutions have proof positive of their customers. Currently State and Local Authorities have the option to elect to accept the Card as an official form of Identification.

III. POLICY CHANGE AND IMPLICATION

The consular identification card does not indicate the immigration status of the holder. These cards are issued by a foreign government and do not under any circumstances, give the holder the rights or privileges denoted by legal immigration status. The consular identification card is not a driver's license and law enforcement personnel are advised to treat the consular identification card the same as any state-issued identification card.

IV. ECONOMIC IMPACT

N/A

V. COMMENTS AND QUESTIONS

- The FBI & Department of Justice have voiced concerns that the Consular Identification Card may be a threat to National Security.
- The Department of Treasury has determined that the Consular Identification Card meets the requirements of the Patriot Act of 2001.
- The Consular Identification Card does not change the migratory status of the Illegal Argentines which receive the ID.
- GAO Report raises concerns about acceptance of Consular IDs because of the lack of uniformity and possibility of fraud. (See GAO-Boarder Security)

August 2004

BORDER SECURITY

Consular Identification Cards Accepted within United States, but Consistent Federal Guidance Needed



GAO

Accountability-Integrity-Reliability

Highlights

Highlights of GAO-04-881, a report to Congressional Requesters

Why GAO Did This Study

Several state and local government agencies and financial institutions accept consular identification (CID) cards, which are issued by foreign governments to their citizens living abroad. Mexico issued more than 2.2 million CID cards in 2002-2003 and Guatemala issued approximately 89,000 from mid-2002 to 2003. Critics of CID cards say their acceptance facilitates the unlawful stay within the United States of undocumented aliens and may provide opportunities for terrorists to remain undetected in this country.

GAO examined (1) the purpose of a CID card and how Mexican and Guatemalan CID cards are being used in the United States, (2) steps Mexico and Guatemala have taken to verify the identities of CID card applicants and incorporate security features in CID cards now used in the United States, and (3) the positions and policies of federal agencies regarding CID cards.

What GAO Recommends

GAO recommends that the Homeland Security Council direct its task force to issue consistent guidance that would enable state and local governments and other institutions to assess the authenticity of foreign-issued CID cards. The Homeland Security Council declined to comment on this report. The Department of Homeland Security generally agreed with the report but offered some suggestions for clarifying the administration's position and practice.

www.gao.gov/cgi-bin/getrpt?GAO-04-881

To view the full product, including the scope and methodology, click on the link above. For more information, contact Laurie Ekstrand at (202) 512-2758 or ekstrandl@gao.gov.

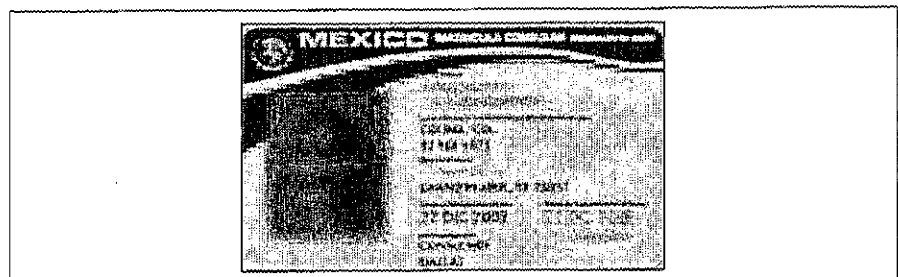
What GAO Found

Consular identification cards are issued by some governments to help identify their citizens living in a foreign country. The cards do not certify legal residence within a country; thus, cardholders may be either legal or undocumented aliens. CID cards benefit the bearers by enabling them, in some instances, to use this form of identification to obtain driver's licenses, open bank accounts, show proof of identity to police, and gain access to other services.

Mexico and Guatemala each take multiple steps to help ensure that the process for qualifying applicants seeking to obtain CID cards verifies the applicants' identities. After receiving criticism about the reliability of its CID card, Mexico took steps to improve identity verification procedures for its CID card issuance process. However, the Mexican issuance policy still relies on visual, rather than computer-based, verification of some documents used to obtain CID cards, including birth certificates that the Federal Bureau of Investigation (FBI) says may be fraudulently obtained. Both Mexico and Guatemala incorporate a variety of security features in their CID cards, such as holographic imagery. However, officials of the Department of Homeland Security's (DHS) Bureau of Immigration and Customs Enforcement warn that incorporating technical security features into identification documents such as CID cards does not guarantee their authenticity.

Federal agencies hold different and, in some cases, conflicting views on the usage and acceptance of CID cards, and no executive branch guidance is yet available. A Homeland Security Council task force of executive branch agencies is reviewing identification document security but had not issued its findings at the time of GAO's review. The Department of the Treasury adopted a regulation in 2003 that, in effect, allows CID card acceptance, while an FBI official has stated that the Mexican CID card, in particular, is not a reliable form of identification and that its acceptance could support false identities. DHS expressed security concerns as well. The State Department has publicly expressed concerns about the impact restricting CID card use might have on U.S. citizens abroad, for example, if the United States had to issue its own CID cards in an emergency.

Sample of Mexican CID Card



Source: Mexican government.

November 10, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

ORDINANCE GRANTING ENTERPRISE ZONE AD VALOREM TAX EXEMPTION TO COLONIAL PRESS INTERNATIONAL, INC., AN EXPANDED BUSINESS LOCATED IN THE ENTERPRISE ZONE; PROVIDING SCOPE AND TERMS OF EXEMPTION; PROVIDING SEVERABILITY, EFFECTIVE DATE AND EXPIRATION DATE

Office of Community and Economic Development

I. SUMMARY

The Office of Community and Economic Development (OCED) recommends that the BCC approve the ordinances granting Enterprise Zone Ad Valorem Tax Exemption to Colonial Press International, Inc.

II. PRESENT SITUATION

The Enterprise Zone Ad Valorem Tax Exemption was authorized by this Board through Ordinance 88-27 and revised under Ordinance 96-74. To be eligible for the exemption, a new or expanding business must create a minimum of five (5) new full-time jobs. If 20% or more of the company's employees are residents of an Enterprise Zone, the exemption for that year will be 100% of the assessed value of all improved real property or tangible personal property. If the company does not meet the 20% rule then its exemption will be limited to 50% of the assessed value. OCED will monitor the firm's compliance during the life of the exemption.

III. POLICY CHANGE AND IMPLICATION

None

IV. ECONOMIC IMPACT

	3A
	Colonial Press International, Inc.
Total new investment	\$3,000,000
Projected new jobs	10 (141 Total)
Term	5 years
Exemption per year	\$8,033.13 (100%)
EZ employees	17 (12%)
Non-Miami-Dade EZ EEs	0

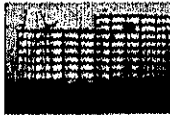
V. COMMENTS AND QUESTIONS

- None

Business Assistance Information

Local & State Incentives/Permitting/Occupational License

Urban Development Opportunities



ENTERPRISE ZONES

What is an Enterprise Zone? (regional map)

- Enterprise Zones
- Empowerment Zone
- Targeted Jobs Incentive Fund

The Enterprise Zone is a designated area within Miami-Dade County, offering financial incentives to businesses that locate or expand there. The Enterprise Zone was established in Miami-Dade County in 1986, when, in response to a ballot issue proposed by the Miami-Dade County Commission, local taxpayers ratified its creation.

Miami-Dade County's Enterprise Zone program combines state and local tax treatments, creating persuasive advantages to any business locating or expanding in the Zone.

Financial incentives to create jobs in the Enterprise Zone became available January 1, 1987 through Enterprise Zone tax credits and exemptions. Miami-Dade has three areas which comprise the Enterprise Zone for new business location or business expansion.

In July of 1995, the State of Florida officially designated a new Zone that included the three Zones previously in existence and added the recently designated Federal Enterprise Community within the boundary of the State Enterprise Zone.

Miami-Dade's Enterprise Zone is divided into three areas which are Miami Beach, Homestead/Florida City (including Perrine-Cutler Ridge) and an area in North-Central Miami-Dade that includes portions of the City of Hialeah, portions of the City of Miami (including Little Havana, Allapattah and portions of Liberty City). The combined population of residents living within Miami-Dade's Enterprise Zone is nearly 200,000.

The Objective of an Enterprise Zone:

The objective of the Enterprise Zone program is to encourage business development and expansion which creates new employment within the designated Zone areas. Substantial incentives are available to businesses of all sizes. Some reductions are also provided to businesses already operating in the Zone.

The reduction in the cost of doing business can be substantial. An insert page illustrates how an actual business could reduce its overhead by nearly half a million dollars over a ten year period, by locating in an Enterprise Zone.

Specific Incentives:

- **Property Tax Abatement** - Up to 100% of local property taxes can be abated by Miami-Dade County for a company moving into a Zone and creating 5 or more new jobs. The abatement can be granted for a period of up to 5 years.
- **Refund of Impact Fees** - A refund of road, police, fire, emergency services and water and sewer impact fees (within a municipality, the city must also authorize the tax abatement).
- **Enterprise Zone Property Tax Credit** - 96% credit against corporate income tax on any ad valorem property taxes not abated by local government, for a period of up to 5 years.
- **Qualified Target Industry** - Doubles QTI Award.
- **Enterprise Zone Jobs Tax Credit** - 15-20% credit against corporate income tax or 20-30% credit against sales and use tax on wages paid to each employee who is a resident of an enterprise zone.
- **Sales Tax Refund** - 97% refund of sales tax in business property and on building materials purchased for use by the company.
- **Federal Job Training Tax Credits** - Residents of Miami Dade's Enterprise Zone are also eligible under these federal programs. A substantial subsidy is paid for training and hiring new employees.

BCC ITEM 4(F)

November 10, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION APPROVING ISSUANCE BY FLORIDA DEVELOPMENT FINANCE CORPORATION OF INDUSTRIAL DEVELOPMENT REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$1,900,000 ON BEHALF OF SOUTHERN GEAR & MACHINE AND ALEX PERDOMO FOR PURPOSE OF SECTION 147 (F) OF INTERNAL REVENUE CODE OF 1986, AS AMENDED

Office of Community and Economic Development

I. SUMMARY

Item 4(F) authorizes the Florida Development Finance Corporation (FDPC) to issue Industrial Development Revenue Bonds on behalf of Southern Gear & Machine, Inc and Alex Perdomo, a principal in an amount not to exceed \$1,900,000. State law requires that local governmental body authorize the issuance of Bonds. These Bonds shall not be a debt, liability, or obligation of the County and shall be payable solely from the revenues of Southern Gear & Machine, Inc and Alex Perdomo.

II. PRESENT SITUATION

N/A

III. POLICY CHANGE AND IMPLICATION

N/A.

IV. ECONOMIC IMPACT

The new financing is expected to allow Southern Gear & Machine, Inc and Alex Perdomo to add approximately 17 new employees within three years in addition to retaining 73 existing jobs.

The new jobs will have an average annual salary of \$44,000.

V. COMMENTS AND QUESTIONS

N/A